



Companies Act 2006

2006 CHAPTER 46

[^{F1}PART 26A

ARRANGEMENTS AND RECONSTRUCTIONS: COMPANIES IN FINANCIAL DIFFICULTY

Application of this Part

[^{F1}901A Application of this Part

- (1) The provisions of this Part apply where conditions A and B are met in relation to a company.
- (2) Condition A is that the company has encountered, or is likely to encounter, financial difficulties that are affecting, or will or may affect, its ability to carry on business as a going concern.
- (3) Condition B is that—
 - (a) a compromise or arrangement is proposed between the company and—
 - (i) its creditors, or any class of them, or
 - (ii) its members, or any class of them, and
 - (b) the purpose of the compromise or arrangement is to eliminate, reduce or prevent, or mitigate the effect of, any of the financial difficulties mentioned in subsection (2).
- (4) In this Part—

“arrangement” includes a reorganisation of the company’s share capital by the consolidation of shares of different classes or by the division of shares into shares of different classes, or by both of those methods;

“company”—

 - (a) in section 901J (powers of court to facilitate reconstruction or amalgamation) means a company within the meaning of this Act, and

Status: Point in time view as at 31/12/2020. This version of this provision has been superseded.

Changes to legislation: Companies Act 2006, Section 901A is up to date with all changes known to be in force on or before 20 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

(b) elsewhere in this Part means any company liable to be wound up under the Insolvency Act 1986 or the Insolvency (Northern Ireland) Order 1989 (S.I. 1989/2405 (N.I. 19)).

(5) The provisions of this Part have effect subject to Part 27 (mergers and divisions of public companies) where that Part applies (see sections 902 and 903).]

Textual Amendments

F1 Pt. 26A inserted (26.6.2020) by [Corporate Insolvency and Governance Act 2020 \(c. 12\), s. 49\(1\), Sch. 9 para. 1](#) (with ss. 2(2), 5(2))

Modifications etc. (not altering text)

C1 Ss. 901A-901J applied (with modifications) by S.I. 2009/1804, reg. 45A (as inserted) (26.6.2020) by [The Limited Liability Partnerships \(Amendment etc.\) Regulations 2020 \(S.I. 2020/643\), reg. 1\(1\), Sch. 3 para. 3](#))

Status:

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Changes to legislation:

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